GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:1558
ANSWERED ON:29.11.2000
INTEGRATED INDUSTRIAL DEVELOPMENT SCHEME NO.
KANTILAL BHURIA

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether some areas of Madhya Pradesh have been included under the Integrated Industrial Development Scheme of Centre under which development of small industrial sector is done through instructions of Government and loan from SIDBI;

(b) if so, the details of such schemes;

(c) whether SIDBI denied the loan for the scheme for development of Mandol Industrial Area in Sivani district even after approval from the Government;

(d) if so, the reasons therefor; and

(e) the manner in which the schemes are likely to be implemented?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES

(SMT. VASUNDHARA RAJE)

(a) & (b): Yes, Sir. The Integrated Infrastructural Development (IID) Scheme was launched in 1994 to provide basic infrastructural facilities in the rural/backward areas. Under the scheme a Central Grant up to Rs. 2.00 crore and a loan fromthe Small Industries Development Bank of India (SIDBI) up to Rs. 3.00 crore is available for each Centre. The State Governments are required to select ar appropriate site, firm up the proposals, get these appraised from SIDBI for techno-economic viability and also appoint an Implementing Agency. SIDBI is authorised to release a central grant matching with the term loan. The Implementing Agency may obtain advance towards Central Grant by depositing, in a bank exclusively in the name of the project matching share from its own resources or the central grant is released on reimbursement basis against the expenditure incurred by it. Four IID Centres have been sanctioned in the State of Madhya Pradesh one at Nadantola in District Satna, second at Bandol in District Seoni, third at Jaggakhedi in District Mandsaur and fourth a Village Nimrani in District Khargone. A Central Grant of Rs. 89.00 lakhs has already been released for an IID Centre at Nadantola, District Satna. For projects which have been recently sanctioned at Jaggakhedi in District Mandsaur and Nimrani in District Khargone, the State Government has not raised a demand for Central Grant. The State Government of Madhya Pradesh has abandoned the project sanctioned for Bandol in District Seoni.

(c) to (e): Under the Scheme, the State Government is required to appoint an Implementing Agency which has a good track record and sound financial position. The financial position of Madhya Pradesh Audyogik Kendra Vikas Nigam, Jabalpur, the proposed Implementing Agency in respect of IID Centre at bandol was not found satisfactory. The agency is in default to theIndustrial Development Bank of India (IDBI) and has accumulated losses. SIDBI is hence not willing to sanction a loan. The State Governmer was given the option to invest its own funds in lieu of SIDBIloan or to change the Implementing Agency. The State Government has expressed its inability to invest its own funds and intimated that they have abandoned implementation of the IID Centre at Bandol, District Seoni.